

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7023

BILL NUMBER: HB 2084

DATE PREPARED: Dec 30, 1998

BILL AMENDED:

SUBJECT: Use of Academic Honors Diploma Awards.

FISCAL ANALYST: David Hoppmann

PHONE NUMBER: 232-9559

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill would allow a school corporation to use the money it receives as an academic Honors Diploma award for any educational purpose for which the school corporation normally spends money.

Effective Date: Upon passage.

Explanation of State Expenditures: The Department of Education would not be required to alter its administrative duties with regards to the provisions of this bill, nor would the amount of money it distributes to school corporations change.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current Indiana law, school corporations receive \$800 per student who successfully completes an academic honors diploma program in the school year ending in the previous calendar year. For the 1996-1997 school year, approximately 9,000 students successfully completed such a program, for a total of approximately \$7.1 M in honors diploma grants awarded to approximately 290 Indiana school corporations for CY 1998.

In 1997-1998 school year, another 9,000 students successfully completed an academic honors diploma program, for a total of approximately \$7.1 M in honors diploma grants to be awarded to approximately 287 Indiana school corporations for CY 1999.

Under current Indiana law, school corporations are allowed to either award \$800, respectively, to any student who successfully completes an academic honors diploma program or use the \$800 awards for local purposes

(students receiving an award can use the monies for any purpose). Currently, the number of school corporations that awarded the \$800 grant directly to eligible students in CY 1998 is currently indeterminable.

However, a survey of Indiana school corporations conducted by Legislative Services Agency indicates that out of 60 responding school corporations, approximately 15 (25%) distributed the \$800 awards to eligible students in CY 1998.

Honors diploma grant monies are contained within the state tuition support distribution. For FY 1997-1998 and for FY 1998-1999, respectively, \$2,693,200,000 and \$2,855,400,000 was appropriated for state tuition support.

NEW REQUIREMENTS FOR \$800 AWARDS

This bill would allow school corporations to use the \$800 that they currently receive for each academic honors diploma for any educational purpose for which the school corporation normally spends money. However, this bill would not allow a school corporation to award \$800, respectively, to any student who successfully completes an academic honors diploma program.

The effects of this portion of the bill would vary from school corporation to school corporation, and would depend upon local action.

State Agencies Affected: Department of Education.

Local Agencies Affected: School Corporations.

Information Sources: State of Indiana List of Appropriations (Biennium July 1, 1997 to June 30, 1999).